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Approved For Release 2009/03/24 : CIA-RDP89-00244R000801770002-2

OLL 84-3613  
24 September 1984

MEMORANDUM FOR: See Distribution

VIA: Chief, Liaison Division/OLL

FROM: [redacted]  
Liaison Division/OLL

SUBJECT: Child Day Care

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1. Given the current Agency interest in the feasibility of constructing a day-care center on the Agency compound, I refer you to the following:

A. Public Law 98-407 was recently enacted whereby the Army, Navy and Air Force will evaluate whether private contractors can build and operate day-care centers on military bases more economically than the government can. Each service must use competitive bidding to secure a contract for private construction and operation of one such center.

B. On 18 September, Senator Trible introduced S 3007 and Congressman Wolf introduced H 6269, identical bills which would require a cost-benefit analysis of a Government program of furnishing workday care benefits for dependent children of Federal employees. The Senate bill was referred to the Committee on Governmental Affairs and the House bill was referred to the Committee on Post Office and Civil Service.

2. Attached for your information is the 18 September Congressional Record report on Senator Paul Trible's (R., VA) remarks (page S11410), and Congressman Frank Wolf's introductory remarks which are followed by a section-by-section analysis of the bill and the bill itself (pages E3886-E3889). I will keep you informed of the status of this legislation and forward the printed bills when they are available.

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Attachment  
as stated

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## CONGRESSIONAL RECORD - SENATE

September 18, 1984

2148

Children across America have been able to rise above the poverty and deprivation of their surroundings through some of the educational programs which he fought long and hard for, particularly vocational training.

As a member, and later chairman, of the House Education and Labor Committee, Representative Perkins was a key force behind the Elementary and Secondary Education Act of 1965, which created remedial help for disadvantaged children and provided aid for school libraries.

He was also one of the fathers of the Appalachian Regional Commission, which has helped some of the poorest sections of eastern Kentucky and other States obtain badly needed hospitals and roads.

But Carl Perkins never forgot where he came from. He went home often, sometimes traveling the backroads of his district, chatting with—and listening to—his constituents.

Such commitment is not easily forgotten. And recognition of Carl Perkins, through passage of this bill, would be a fitting tribute to his strength and character.

I urge the Committee on Environment and Public Works to take immediate action on this legislation.

Mr. KENNEDY. Mr. President, it is an honor for me to join in supporting this richly deserved tribute to Carl Perkins.

No one who knew Carl Perkins will ever forget him. He was a giant of the Kentucky earth, and all of us in Congress who respected his genius and valued his friendship will miss him dearly. He was especially close to both my brothers, and his loss was deeply mourned by all the members of my family.

Carl Perkins had a unique ability to touch the conscience of Congress and the country. His legacy of excellence will endure so long as Americans anywhere carry on his lifelong struggle against the ancient evils of poverty, ignorance, and disease. And this legislation will, in some small measure, create a lasting monument to his memory and a reminder of his good works to the generations yet to come.

**SENATE** I am asking you to require cost-benefit analysis of a Government program of furnishing workday-care benefits for dependent children of Federal employee; to the Committee on Governmental Affairs.

**FEDERAL EMPLOYEE DAY CARE BENEFITS STUDY**

Mr. TRIBBLE. Mr. President, in the last three decades American society has undergone a striking transformation. There has been a dramatic increase in the number of families whose adult members work outside the home.

In 1960, fathers worked and mothers stayed at home raising children. In 1980, 55 percent of American families. However,

er, this has become less and less typical as a growing number of households are headed by single parents and as more and more women pursue careers outside the home.

1970 census figures revealed that 21 percent of women with children under age 6 worked and 50 percent of women with children between age 6 and 17 were employed. By 1980, 45 percent of mothers with children under age 6 and nearly 63 percent of mothers with school age children worked outside the home. And, by 1982, the proportion of mothers with children under age 6 working outside the home increased to 50 percent.

This significant trend is expected to continue. Predictions are that by 1990, two out of three mothers will be in the labor force; 50 percent of mothers with children under age 6 will be employed—an 80-percent increase since 1970. By the end of the decade, one in every four children under age 10 will be in a single-parent household with that parent either employed or looking for work.

Clearly, women and single parents have become an important factor in the workplace and their requirements and those of their families must be recognized. For working parents, child-care benefits may be at least as important as other more traditional employment benefits such as health insurance or retirement plans. Employers wishing to recruit or retain quality personnel will find child-care benefits to be increasingly important.

Recognizing this, the White House Office of Private Sector Initiatives has established a program to inform businesses of employer options for working families and of the tax and productivity advantages of child-care benefits.

A growing number of employers now provide child-care benefits and have realized substantial savings in doing so. Reduced employee turnover, reduced subsequent training costs, higher retention, less absenteeism, and lower tardiness lead to lower business cost. Research shows that for every \$1 invested in a child-care benefit, the employer received anywhere from \$4 to \$20 return on the investment. Non-profit organizations can also realize cost savings. A recent case study of a nonprofit organization identified a \$3 to \$1 investment return for offering child-care benefits.

Mr. President, if substantial savings are realized by the private sector, it is probable that similar savings could be made by the Federal Government. Therefore, I am introducing legislation today which would authorize the General Accounting Office to conduct a cost/benefit analysis on offering child-care benefits to Government workers.

I believe that as the Nation's largest employer, the Federal Government should investigate the possibility of providing child-care benefits for its employees and cost savings for taxpay-

ers. This study would consider child-care benefit options which provide the best investment for the Government and taxpayer, while meeting with the needs of employees and their families.

The Senior Executive Association, Federal Managers' Association, Federal-employed women, and the Professional Managers Association support this study and I urge my colleagues to do so as well.

## ADDITIONAL COSPONSORS

S. 1407

At the request of Mr. EXON, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1407, a bill to protect purchasers of used automobiles from fraudulent practices associated with automobile odometer modifications, and for other purposes.

S. 2139

At the request of Mr. HORNZ, the name of the Senator from North Carolina [Mr. HELMS] was added as a co-sponsor of S. 2139, a bill to improve the operation of the countervailing duty, antidumping duty, import relief, and other trade laws of the United States.

S. 2339

At the request of Mr. INOUYE, the name of the Senator from Alabama [Mr. HEPPLIN] was added as a cosponsor of S. 2339, a bill to amend titles XVIII and XIX of the Social Security Act to provide that the services of a mental health counselor shall be covered under part B of medicare and shall be a required service under medicaid.

S. 2407

At the request of Mr. PROXIMITY, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 2407, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to establish certain requirements with respect to hazardous substances released from Federal facilities, and for other purposes.

S. 2456

At the request of Mr. BRADLEY, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2456, a bill to establish a commission to study the 1932-33 famine caused by the Soviet Government in Ukraine.

S. 2751

At the request of Mr. KASTEN, the names of the Senator from Indiana [Mr. QUAYLE], the Senator from Illinois [Mr. PEPPER], the Senator from Michigan [Mr. LEVIN], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 2751, a bill to provide for coordinated management and rehabilitation of the Great Lakes, and for other purposes.

S. 2751

At the request of Mr. STRIVINS, the name of the Senator from Minnesota [Mr. DUKAKIS] was added as a co-

K 3896

## CONGRESSIONAL RECORD — Extensions of Remarks

September 12, 1984

Members of the sanctuary movement contend that the administration, for political reasons, has deliberately misapplied immigration law in deciding whether Salvadorans should be allowed into this country.

"The movement," says Fife, "has created an awareness nationally and in Congress and the administration that Central American refugee issues are an important national consideration . . . and established a clear linkage between immigration and refugee issues and the policies of the United States in Central America."

Typically, the Central Americans, using assumed names and handkerchiefs or sunglasses to conceal their identities, have been presented to reporters during a dramatic welcoming ceremony at which they recite tales of persecution and mistreatment at the hands of army or police in their own countries.

This is a prelude to an extended period during which the churches provide food, clothing, employment and housing, sometimes, but not always, in church-owned buildings.

The major impetus for the movement has come from religious communities across the country and made up of people of all ages and income groups.

So far it has been endorsed by the American Friends Service Committee, the Conservative Reformed Assembly, the General Assembly of the United Presbyterian Church USA, the United Methodist Board of Church and Society and the Board of National Ministries of the American Baptist Church USA.

The motives of many sanctuary supporters lie at the intersection of religion and politics. "The suffering of the people of Central America is so great it demands a response from people of faith here," says Benedictine Brother Philip Ponckiewicz of Weston Priory in Weston, Vt., which is providing sanctuary to a Guatemalan family of seven.

"It raises religious and moral questions for us and it was a moral and ethical response [for us] to become a sanctuary," said Ponckiewicz.

Others put politics first. "One of our goals is to end U.S. intervention in Central America," says Joe Holstein of the Chicago Religious Task Force, an ecumenical group that acts as a clearinghouse. The movement "provides safe and public forums for refugees from El Salvador, Guatemala and Honduras as they can speak directly to the American people in the United States about conditions in those countries, about why they left and what the U.S. is doing there."

Those involved in the movement define their role in different ways. "To some people the sanctuary movement is helping undocumented aliens evade the authorities; to some it is transporting them; to some it's helping them with food and shelter," says Roman Catholic Bishop John J. Fitzpatrick of Brownsville, Tex.

In recent months three activists in the movement have been charged with transporting undocumented aliens. INS officials said they were apprehended as the result of routine border patrol operations and not targeted specifically because of their involvement in the sanctuary movement.

There is roots in Christian tradition. The notion of sanctuary as a legal concept is unclear in modern U.S. law. The INS says that members of the clergy are not immune from federal immigration laws and that they do not warrant they can enter the United States as undocumented aliens.

"The rules are legal and some are not," says Jim W. Boldin, INS district director

in Harlingen, Tex. "It's perfectly legal to give food and shelter. Harboring an undocumented alien is only a violation if they are being concealed . . . trying to catch someone giving food and water to illegal aliens, it's just not our operation."

But "transporting of an alien who entered the U.S. illegally in furtherance of that illegal entry is a violation," he says. "We're not talking about sanctuary there."

The political implications of granting sanctuary are only too apparent to the INS. "The only debate going on is a political one and it has to do with an attempt to change the foreign policy of the U.S. in El Salvador," says Boldin, who calls the illegal immigrants "pawns" of the critics.

At issue is whether the Salvadorans who come here are mostly economic migrants as the federal government claims, or political refugees, as many of its critics claim. Classified as refugees, Salvadorans would be allowed to stay here, at least temporarily, even if they had entered the country illegally.

In the past 22 months the government has granted political asylum to only 391 Salvadorans and denied it to 12,700, saying they failed to prove that they personally were persecuted in El Salvador.

But many religious groups, refugee groups and immigration lawyers, armed with numerous case histories to back them up, charge that INS and the State Department have turned down many Salvadoran applicants with valid stories of personal persecution because the United States did not want to cast the Salvadoran government in a negative light.

"To some degree," says Roger Winter, director of the U.S. Committee for Refugees, a private group, "the U.S. has precipitated the problem by its own unwillingness to keep politics out of the [asylum] system. If back in those early years the U.S. asylum system had adequately distinguished between people who had reasonable cases and people that didn't, then a lot of these later complications, including the sanctuary movement, might not have grown up quite like it did."

Organizers of the movement operate on the assumption that all Salvadorans and Guatemalans are refugees, though they admit they cannot know for sure if the stories they tell are true. "We try to do an extensive screening process and get corroborating letters from churches or the United Nations High Commission for Refugees," says Philip Conger, a refugee program worker at Southside.

"It's difficult for someone to maintain a story that's coherent over a period of time if they are not telling the truth. We have rejected some people we thought were not telling the truth," Conger says.

The first stop for most Salvadorans crossing into Arizona is Southside Church. But before that many of them have met Jim Corbett and his wife, Patricia. A retired rancher and a Quaker who holds a master's degree in philosophy from Harvard, Corbett, 58, says a chance encounter with a Salvadoran refugee three years ago got him involved in Central America.

Since then the Corbets have been involved in what they call "evasion services." Helping Salvadorans and Guatemalans evade the U.S. Border Patrol as they cross into the United States from Mexico. They have helped about 1,000 to do so since 1982, Corbett says. Not all of those go into the sanctuary movement.

Corbett travels to Mexico about every three months to contact an informal network of priests and human rights groups helping Salvadorans and Guatemalans living there. Steking out people he consid-

ers most needy of refugee protection, he makes arrangements for them to cross the border, advising them where to do it and where to meet him after they enter the United States.

Generally the Central Americans are matched with churches by the Chicago Task Force, which runs a nationwide network of contacts who transport them from one place to another. Margaret Volpe of Davenport, Ia., is one of those contacts.

"There's a woman in Nebraska who does routing—she calls us and we send someone to pick them up at such and such an agreed point," says Volpe, a 38-year-old Catholic. "We have taken them to next point, which is usually Chicago. Usually we meet at a rest area, on a highway or sometimes at a home."

Darlene Nicgorski, an American Franciscan nun who worked in Guatemala for 10 months, is another of those contacts. Working out of her apartment in Phoenix, she screens potential candidates for the sanctuary movement.

Nicgorski says she must determine if they have the stamina and ability to cope with the publicity and with the strains of living in a community where they may be the only Hispanic. Most who enter the movement do so in the hope that by speaking out, "they are helping people who can't get out," Nicgorski says.

This is the reason given by Pedro, a 29-year-old illegal alien who is now staying with Nicgorski in Phoenix. In a telephone interview, Pedro says through an interpreter that he was a photographer for the Salvadoran Human Rights Commission and helped retrieve the body of its president, Mariana Garcia Wilner, after she was slain in El Salvador in March 1983. After soldiers came to his home looking for him Pedro says, he feared for his life and fled to Mexico City and worked with the commission's offices there.

Although the Mexican government "has much respect for our work" immigration officials and intelligence agencies "made people like us feel uncomfortable," he says. So he came to this country a month ago, crossing the border clandestinely. He plans to enter the sanctuary movement "to explain the way the assistance being sent to El Salvador is being used . . . and in this way the American public will know their president is helping a government that is killing the people."

## FEDERAL EMPLOYEES: DAY CARE BENEFITS STUDY ACT OF 1984

HON. FRANK R. WOLF

of Virginia

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 1984

• Mr. WOLF. Mr. Speaker, today, Representatives BAXTER, HOLT, HOYER, and PARRIS are joining me in introducing legislation to authorize the General Accounting Office with a private consultant to conduct a cost-benefit analysis on providing child care benefits to Government employees. After conducting three workshops in my congressional district to acquaint employers with tax incentives and productivity advantages in offering child care benefits to working parents, I was overwhelmed with the amount of support and interest these confer-

## 120. CONGRESSIONAL RECORD - Section of Remarks

amongst them, among employers, among parents, providers. News reports about our efforts have resulted in inquiries from organizations and individuals from all over the United States which demonstrate the high degree of interest in child care.

In these meetings, Dr. Deanna Tate of the Texas Woman's University, one of the top researchers in this field, indicates that research to date shows for every \$1 invested in a child care benefit, the employer received anywhere from \$4 to \$20 return on the investment. Although the tax advantages to business would not be available to Government, a recent case study of a nonprofit organization—governed by the same tax laws in the Federal Government—identified a \$3 to \$4 investment return for offering child care benefits.

Since these types of savings already exist in the private sector and the evidence exists that similar savings could be found in the Federal Government, I believe that, with the changes taking place in work patterns and with the growing concern about budget savings, the Federal Government as a responsible employer must take steps to analyze child care benefits.

## REMARKS

I would like to give some background on my work in this area. From my discussions with both employers and parents and in my work on the House Select Committee on Children, Youth and Families, I learned of the growing number of households with working parents or single parents and the impact this trend is having on employers and families. Also in my work on the House committee, I became acquainted with the White House Office of Private Sector Initiatives and its program which brings the business and child care provider communities together to share information on changes in child care demands and new opportunities for businesses to assist working parents through tax, productivity and other advantages.

Following my review of this program, I formed a Child Care Advisory Committee to develop an informational program regarding these advantages for northern Virginia employers. The first phase of this program was a breakfast briefing in early June with area business leaders hosted by the BDM International Corp. to gauge the interest in this subject. The response was quite positive and resulted in two additional workshops for child care providers and employers in late July. Dr. Deanna Tate of the Texas Woman's University, one of the leading researchers in this field, was the keynote speaker for these events.

Clearly the growing number of households with working parents or single parents is having a major impact on local employers and families and this trend can be expected to continue in the future. Let me share some of these statistics.

According to the 1980 census, 58 percent of mothers with children under age 6 in the Washington area and almost 71 percent of those with children between ages 6 and 17, worked.

This astonishing figure is much higher than the national average which showed 45 percent of mothers with children under age 6 and 62 percent of those with school aged children worked.

The change in the past decade has also been significant. In 1970, only 31 percent of women with children under age 6 and 60 percent of women with school age children were employed. The House Select Committee on Children, Youth, and Families predicts that nationally by 1990, 55 percent of married women and 80 percent of mothers with children under age 6 will be employed—an 80 percent increase since 1970.

An even more alarming figure is that one in every four children under the age of 10 will be in a single parent household, with that parent either employed or looking for work. Of particular concern to me regarding these statistics is the unique fact that the departments and agencies of the Federal Government are located here and could account for the higher statistics for this area. This evidence substantiates the fact that as women and single parents become a major force in the workplace, their needs, the needs of their families and particularly the needs of their children must be addressed. For employers seeking to recruit and retain top quality personnel, the ability to provide good employee benefits is essential. The successful employer of the future may be one who recognizes that child care is a benefit option which can be crucial to the productivity of their business or organization.

I believe it is important for the Federal Government, as a responsible employer, to look at the child care situation and determine whether there could be cost benefits for providing child care assistance for its working parent employees. The information I have seen through these workshops, through hearings in the select committee and through information provided by the Department of Labor and the White House points to a real cost savings to an employer who provides child care benefits. Those savings are achieved from reduced employee turnover, reduced subsequent training costs, higher retention, less absenteeism, lower tardiness, and increased productivity. Such benefits can also help to promote higher employee morale and loyalty.

While conducting the workshops for northern Virginia employers, we encouraged them to study the situation in their organization thoroughly to determine the type of child care best suited for their needs. Today, I am advocating that we, the Federal Government, as the largest employer in America apply these same practices

and make a serious analysis of those possible benefits. I believe sincerely that day care is for everyone; though parents should be left to choose among options they believe best meet the needs of their children—whether they choose to stay home full time, or choose full employment and need child care assistance to do so—they should be able to make such decisions with the best interest of their children as the primary concern.

The magnitude of the situation demands that we consider all options which will provide the best investment from the taxpayer's and Government's standpoint, while also facilitating the needs of the employee and the employee's family.

My colleagues may be interested in two recent Washington Post articles about my child care educational effort in northern Virginia and I am also including with this statement the following comments I have received from interested Federal employee groups on this initiative.

## Federally Employed Women:

PEW thanks you for your initiative in introducing legislation that addresses a prime concern of Federally Employed Women—childcare. The number of working mothers in the Federal workforce has increased over the past decade. The majority of these women work because of economic need. For these families affordable and quality child care is a necessity... PEW supports the Child Care Study... a cost-benefit analysis of various childcare options in Federal workplaces is a beginning in establishing available child care for working mothers and fathers employed by the Federal government.

The Chairman of the Board of the Senior Executives Association, Carol Bonosaro:

The members of the Association are vitally concerned with this issue both as working parents and as supervisors and managers of employees who are working parents. Your legislation which would study the problem and propose appropriate solutions, is a welcome first step in finding a remedy to this national problem. We commend you for your efforts, and for your foresight in taking a leadership role on this issue.

The Professional Managers Association:

Your proposal is both appropriate and timely. It is appropriate that some attention be given to public employee child care, given the trend to do so in the private sector. It is timely because of the general trend toward more mothers joining the workforce. If improved productivity can result from minimizing employee-parents' concern and reduced time away from work related to child care needs, then the taxpayer, the government and the employee can all benefit. An objective and thorough analysis of the question, such as the one you plan to propose, should provide the needed answer.

(From the Washington Post, Aug. 1, 1984)

## Child Care

(By Judy Mann)

Carol Remington is the employee services manager of GTE Telenet, a data communications firm in the process of relocating its 800 local employees to new headquarters in Reston. Remington is negotiating with four

E 3888

CONGRESSIONAL RECORD — *Extensions of Remarks*

September 18, 1984

child-care centers in Reston to set up a voucher system by which GTE can help its employees pay for child care at the centers.

She was one of about 75 representatives of business, government and child-care organizations who met yesterday at a workshop on "Employer-Sponsored Options for Working Parents" sponsored by Rep. Frank R. Wolf (R-Va.) and targeted specifically at businesses in the 10th Congressional District. The workshop grew out of a series of meetings with women constituents that began last November and ultimately led to a briefing with chief executive officers in June.

The purpose of the workshop was to give employers hard facts about the tax benefits they could derive from helping their employees with child care, the productivity benefits they could derive from lowered absenteeism and turnover due to child-care problems, and the variety of ways they could become more responsive to the problems of working parents.

Among the speakers were a representative of the Internal Revenue Service, Dr. Deanna Tate of Texas Women's University, who has done cost-benefit analyses showing that employer-sponsored child-care programs save companies money, and Richard Schlaff of the White House Office of Private Sector Initiatives, which has sponsored 19 similar conferences for top business executives across the country.

Schlaff said child-care advocates had complained they could not reach "the decision makers" in companies to let them know "there's something other than on-site care." The Office of Private Initiatives began contacting chief executive officers in local communities and asking them to invite their peers to briefing luncheons. Then, they were asked to send their personnel officials to follow-up workshops to learn about various forms of child-care assistance and how they could implement them. "We're trying to get the child-care community and the business community to work together," said Schlaff.

At yesterday's workshop, for example, he distributed a two-page worksheet detailing steps to take in companies to provide support systems for working parents. He also distributed a list of various companies and what they are doing, so that people at the workshop could contact companies similar to theirs and find out what might work best for them.

"Ten years ago," said Schlaff, "the movement was toward on-site centers," which met with tremendous employer resistance. "They labeled it and said no babies in the boardroom. They then took the concept of employer-supported child care and put it on a shelf. We attempted to reach the decision makers in companies and said open up that file and dust it off and look at the changes in what's available to help working-parent employees.

"We find the CEOs are just not interested until it hits home," he said. Then he gave an example of a grandfather who had put his daughter through law school, and wanted her to practice law but also wanted the best care for his grandson. Then the son-in-law left. Suddenly child care became of paramount importance to the CEO, and he willingly agreed to host one of the lunches for his peers.

"There are things your company can do that don't cost a quarter of a million dollars," said Schlaff. He urged the business people to consider having seminars for working parents to inform them about child-care tax credits and time management. He urged them to have seminars for supervisors so they would realize that a secretary who is given something to type at 5:30 in the evening may face \$8 or \$10 in penalty

fees for picking up a child late at a center. He urged companies to examine their telephone and sick leave policies so that they are responsive to the child-care problems of working parents.

Wolf said he believes the private sector has to take the initiative to accommodate the drastic change in the modern work force, and this is the message the White House Office on Private Initiatives has been taking to business. Unlike many women employees of corporations, they can get to the decision makers and they can educate them about the costs to the corporations of child-care problems. They are making the case in terms of reduced absenteeism and turnover and increased productivity. It is a language business people understand, and when they hear it from Wolf and the White House, they'll listen.

[From the Washington Post, Aug. 3, 1984]

## CHILD CARE

(By Judy Mann)

Dr. Deanna Tate, chairman of the Child Development and Family Living Department at Texas Woman's University, has done cost-benefit analyses of three companies that had such detailed personnel data that she was able to determine the impact on productivity and profit of child-care assistance to employees. The results of her studies are striking arguments that this kind of employee benefit is good business.

A small textile manufacturing plant she analyzed had 87 employees, many of whom were women in low-skilled jobs. The turnover rate was running at the 40 percent level in a community that had an unemployment rate of about 1.5 to 3 percent. The company paid \$42,500 to buy and modify a nearby house and set up a child care center. It budgeted \$30,000 for ongoing costs, with the rest to be paid from parent fees. The center provided care for 36 children, and 26 percent of the employees used it.

The company calculated that it spent \$1,000 to train a new production worker and \$2,000 to train a new office worker. Turnover rate after the first year of operation dropped to 7 percent, and absenteeism went from 10 to 1 percent. The company was able to reduce its payroll by 10 production workers and 3 office workers, saving salary and training costs of 16 employees, reducing its workspace and lowering administrative costs for turnover and training. While it had four applicants for each position before the center was started, it had 20 afterwards, with 80 percent of them saying it was because of the child care center. "For every \$1 spent, they yielded \$6 in costs containment," Tate told a workshop on employer-sponsored child care assistance held for businesses this week under the sponsorship of Rep. Frank Wolf (R-Va.).

Her cost-benefit analysis of a print shop that was considering child-care assistance for its 50 employees showed it would save \$4 for every \$1 invested. She projected that a hospital with 4,000 employees would save \$3 for every \$1 invested in a center.

Business interest in child care assistance for employees is growing. Richard Schlaff of the White House Office for Private Initiatives told the workshop that the Conference Board in New York estimates that 1,100 companies are now participating in some kind of program, up from 800 last November. Programs range from flexible leave policies which, for example, allow parents to use their sick leave when their children are sick, to full-scale commitment to child care assistance through on-site facilities.

In between are a variety of options: IBM, for example, has recently contracted with a Boston firm for a nationwide child care and

information referral system; banks in New York, Iowa, and Ohio have developed working parent seminars; Proctor & Gamble and the American Can Co. offer employees flexible benefit plans with child care as an option; the Polaroid Corp. and the Ford Foundation in New York give financial assistance to their employees for child care, and other companies, including local broadcasting stations in D.C., have joined together to set up consortium centers, which are then operated by nonprofit boards of employees.

Financial assistance includes vendoried care, under which employers contract for slots for their employees' children with an existing day care provider. Voucher care is a system in which the employer gives a voucher to his employee to pay for part of the child care cost, the employee gives it to the provider who then returns it to the employer for payment.

All of these forms of direct financial assistance in day care can be deducted from the employer's taxes as ordinary business expenses, and they are not considered taxable income to the employee. If they are done under a written Dependent Care Assistance Program. This program, established under the 1981 Economic Recovery Act, also allows companies to assist their employees with care for elderly or disabled dependents. Dependent care can be anything from a housekeeper to a center. The employee may not count that assistance in computing child-care tax credits on individual tax returns, although whatever he or she pays to supplement the assistance can be counted.

There was one overriding message that Schlaff and Tate tried to drive home at the workshop: The benefit is cost-effective, but relatively new, and the first step employers should take is to get help from child-care professionals, just as they would get help from professionals in setting up insurance programs.

If child care assistance is going to be offered as a benefit like health insurance, then it makes sense to treat it as one.

## SECTION-BY-SECTION ANALYSIS

Section 1: The title of this legislation is "Federal Employees' Day Care Benefits Study Act of 1984."

Section 2(a): The principles involved with this cost benefit analysis—the General Accounting Office and a private consultant, are defined.

(b) This section mandates a cost benefit analysis be performed on child care options. Because of the amount of research already being performed in the private sector in corporations, small businesses, and non-profit entities showing that for every one dollar invested in a child care benefit the employer receives anywhere from \$4 to \$20 on that investment, this legislation is designed to determine if similar cost savings are possible in the federal sector.

Several major options are being used by private sector organizations such as

Providing a voucher benefit from the federal government for some portion of the child care cost for a working parent (voucher-care);

Having the federal government contact with a particular vendor for a certain number of child care spots in that center for employees to use (vendored-care);

Allowing several agencies in a particular vicinity to go in together on a consortium type of child care center (an example would be to establish a center in the Crystal City area of Arlington, Virginia in the midst of where many defense agencies lease space for their employees);

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Or, when, feasible and cost effective to set up an on-site child care at the place of the parent's federal employment.

These are only a few of the most frequently used types of employer-sponsored childcare options.

(c) The areas where cost savings will most likely be found are detailed in this section. The study should consider increasing the current costs to the government which are lost in the following areas due to dependent care-related: overtime, productivity, recruitment, turnover, absenteeism, tardiness, sick leave, annual leave, training of replacements, lost worktime, loyalty, public relations and other factors—which are often related to problems with dependent care and then compare these figures with the costs of offering a child care benefit.

(d) The Comptroller General is authorized to conduct research as necessary with the private consultant—whether through sampling, surveys, or estimates—to formulate or substantiate any cost savings identified by this analysis.

(e) The report made by GAO, and the private consultant must be transmitted to Congress within one year and should include recommendations for administrative or legislative action. Although a report would be welcome before such deadline, a researcher in this area in Texas has outlined that a report of this magnitude would take a full year to complete.

(f) GAO shall contract with a private consultant or consulting firm having education, training, expertise and knowledge in analyzing cost benefits of child care.

(g) All federal agencies are instructed to cooperate with GAO in accumulating the necessary data and material on which to make an accurate cost-benefit analysis.

(h) Such sums as necessary are authorized to carry out this cost benefit analysis. It is assumed by the sponsor that this type of analysis would not cost more than \$250,000 over the course of the next year.

HR. 6269

A bill to require a cost-benefit analysis of a Government program of furnishing workday care benefits for dependent children of Federal employees.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Employee Day Care Benefits Study Act of 1984".

Sec. 2. (a) For the purpose of this section—

(1) the term "Comptroller General" means the Comptroller General of the United States; and

(2) the term "consultant" means the individual or entity entering into a contract with the Comptroller General under subsection (f).

(b)(1) The Comptroller General, in the consultation with the consultant, shall—

(A) identify several options for a program for the Government to furnish workday care benefits to dependent children of Federal employees; and

(B) carry out a cost-benefit analysis of establishing and carrying out each program identified as an option pursuant to clause (A).

(2) The options identified by the Comptroller General pursuant to paragraph (1)(A) shall include such options as—

(A) a program to furnish child care at the place of employment;

(B) a program to furnish vouchers to pay for child care services;

(C) a program to furnish child care under a Government contract;

(D) a program to furnish child care through a consortium of Government agen-

cies or a consortium of Government agencies and other employers using child care services; and

(E) a program to furnish information and referral services relating to child care.

(e) In carrying out the cost-benefit analysis required by subsection (b), the Comptroller General shall determine, with respect to each program identified pursuant to such subsection, whether the Government would achieve any cost savings by carrying out the program by means of such factors as—

(1) reduced turnover in employment;

(2) reduced absenteeism;

(3) reduced use of sick leave and annual leave;

(4) reduced loss of overtime;

(5) increased loyalty and

(6) reduced recruitment costs resulting from increased attractiveness of the Government as an employer.

(d) In carrying out the cost-benefit analysis required by subsection (b), the Comptroller General—

(1) shall review existing data and research available on the options for a childcare program;

(2) may carry out such surveys and sampling, distribute and collect such questionnaires, and make such estimates as the Comptroller General, in consultation with the consultant, considers appropriate for the purposes of the analysis or to assure that there is sufficient data relating to the entire Government workforce and/or several Government agencies nationwide.

(e) Not later than one year after the date of enactment of this Act, the Comptroller General shall transmit to the Congress a report on the cost-benefit analysis carried out under this section. The report shall include the findings of the Comptroller General and any recommendations for administrative action or legislation that the Comptroller General considers appropriate.

(f) The Comptroller General shall enter into a contract with any qualified individual or entity to consult with the Comptroller General on the cost-benefit analysis required by subsection (b). For the purpose of the first sentence, a qualified individual or entity is any individual or entity who, by reason of education, training, or experience, has extensive knowledge and expertise in the major areas to be considered in the cost-benefit analysis.

(g) Each head of a department, agency, or other entity of the Government shall furnish the Comptroller General such information, services, and other assistance as the Comptroller General considers necessary to carry out the cost-benefit analysis required by subsection (b).

(h) There are authorized to be appropriated such sums as may be necessary to carry out this section.

## FOLEY FAMILY: A NEVADA LEGAL SAGA

## HON. HARRY M. REID

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1984

• Mr. REID. Mr. Speaker, throughout the legislative session, we Members of Congress study thousands of documents, as well as attend hundreds of briefings and hearings, before we commit our votes to legislation when it comes before the House. Recognizing that even this description of the proce-

dure is simplification, I am especially appreciative of the August 8, 1984, passage of H.R. 4704, a bill to name the Federal Building in Clark County, Nev., the Foley Federal Building and U.S. Courthouse.

To understand the significance of this name change it is important to understand the impact that the Foley family has made on Nevada, especially in terms of the State's legal history. In fact, in describing the people who pursue the diverse challenges of the law, Nevadans consider the name Foley as synonymous with "the law." In turn, the Foley clan has been in business for about 200 years—with name to name. That translates into four generations—12 lawyers at last count—who have held nearly every political position.

Thomas Elwell Foley came to Goshen, N.H., in 1796, where he set up law practice. His son, Roger T., joined his practice, but soon branched off into politics as Esmeralda County District Attorney.

In 1928, the family moved to Las Vegas, where Roger T.'s five sons, George, Joe, John, Roger, and Tom, would eventually create, protect, and practice the law.

It was in 1945 that President Franklin Roosevelt appointed Roger T. as a Federal judge, a position he held until his death in 1974. Five years after that appointment, his five sons, all practicing law together at that time, held the record as the Nation's largest firm of "all brothers." They held that auspicious title for at least 10 years.

In 1961, one of the brothers, Roger B., followed his father's example by being appointed Federal judge by President John Kennedy. He now is a senior Federal judge.

Indeed, there has never been such a dynamic family that has given so much knowledge, experience and loyalty to the legal and political development of one State.

Following are brief profiles of the five sons of Roger T., highlights of their political careers and the legal careers of some of their offspring.

Roger D.: Former Clark County district attorney, former Nevada attorney general and former Federal district judge; he now is a senior Federal district judge; his daughter, Mary Louise, is a pre-law student at the University of Nevada/Las Vegas.

George W.: Former member of the Nevada Boxing Commission and former Clark County District Attorney; his son, George, Jr., recently graduated from McGeorge School of Law as valedictorian and now practices law with his father in Las Vegas.

Joseph M.: Currently, and announced candidate for UNLV Board of Regents; his daughter, Helen, has served in the Nevada Assembly and now serves in the State senate; his son, Daniel, is a recent law graduate of the University of Utah; his daughter, Shannon, is studying law at George